



OPE Update

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Happy Holidays!

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From the Director

Thank You!

OPE had a great year in 2006. We completed several high impact projects and were recognized by our peers when we received the National Conference of State Legislatures' Excellence in Evaluation Award. The award is given each year to the legislative office that best advanced the field of evaluation during the past four years.

No doubt we worked hard, but the award would not have been possible without the support of the Idaho Legislature and the leadership of the Joint Legislative Oversight Committee. We sincerely appreciate the Legislature's support for promoting government accountability through independent performance evaluations of state agencies and programs. Equally important is the

leadership of JLOC in assigning us evaluation projects that deal with important statewide policy or budget issues.

At this time, we especially want to acknowledge the contributions of three lawmakers who will not be serving in the Legislature in 2007—**Speaker Bruce Newcomb, Representative Debbie Field, and Senator Bert Marley.** Speaker Newcomb was the driving force behind the establishment of OPE in 1994 and served as the first co-chair of JLOC. Representative Field served on the committee for 8 years, including 4 years as its co-chair. Senator Marley served on JLOC for 5 years. We are grateful for their leadership, support, hard work, and above all, their confidence in us.

Joint Legislative Oversight Committee (JLOC), 2005–2006

Sen. Shawn Keough, Co-chair
Sen. John Andreason
Sen. Bert Marley
Sen. Kate Kelly

Rep. Margaret Henbest, Co-chair
Rep. Maxine Bell
Rep. Debbie Field
Rep. Donna Boe

2006 Impact and Notable Document Awards

In addition to the Excellence in Evaluation Award, OPE received three other awards in 2006.

- Impact Award from the National Legislative Program Evaluation Society, a staff section of the National Conference of State Legislatures, for the report:
 - ◆ Strategic Planning and Performance Measurement
- Notable Document Awards from Legislative Research Librarians, a staff section of the National Conference of State Legislatures, for two reports:
 - ◆ Idaho School for the Deaf and the Blind
 - ◆ Use of Social Security Numbers for Drivers' Licenses, Permits, and Identification Cards

OPE and JLOC Are Making a Difference

Idaho Student Information Management System (ISIMS)—Lessons for Future Technology Projects

idaho.gov/oep/publications/reports/r0602.htm

This August 2006 report discusses the lessons learned from the failed Idaho Student Information Management System (ISIMS). ISIMS was a partnership between the state and a private, not-for-profit foundation that had pledged \$35 million to the state for developing a statewide student information management system for K–12 public education. The foundation terminated the project in December 2004 citing project cost overruns estimated at \$182 million.

We identified the following lessons as a result of our review:

- Consider local and regional differences when developing a statewide system
- Clearly define roles and responsibilities for all parties
- Involve end users
- Have realistic expectations of technology
- Have project plans with a manageable scope and realistic timeframes

These lessons are applicable to any technology project, not just those in the area of education. Based on these lessons, we developed a best practices checklist for state agencies to use when undertaking information technology projects.

A few weeks after the report was released, the Governor's office sent a letter to state elected officials and department/division heads encouraging them to use our checklist when considering information technology projects. The Information Technology Resource Management Council (ITRMC) subsequently adopted the checklist as a guideline and strongly encouraged state agencies to follow it when embarking on new, large-scale information technology projects.

Management in the Department of Health and Welfare

idaho.gov/oep/publications/reports/r0601.htm

In February 2006 we issued a report on the management of the Department of Health and Welfare, the state's largest agency with an annual budget of approximately \$1.6 billion and more than 3,000 full-time positions. This limited-scope study focused on understanding how well the department management was doing with respect to some of its key functions, including external communication



with policymakers and stakeholders; internal communication with line staff, supervisors, and middle management; and the distribution of staffing resources and caseloads. In addition, we identified areas needing further review.

Two noteworthy aspects of this study are: (1) we surveyed all permanent staff of the department (nearly 2,800), and (2) we completed the study of the state's largest agency in a very short time, just over four months.

Department staff reported poor workplace morale, lack of confidence in upper management decision-making, and fear of retaliation from upper management. In addition, the study found the Board of Health and Welfare had a limited role in overseeing the operations of the department.

In spite of the limited scope of our study, we provided useful information to policymakers. The report's impact included the following actions:

- Statutory changes to strengthen the role and responsibilities of the Board of Health and Welfare in providing general oversight to the department (HB 832)
- Organizational and personnel changes in the department by the Governor
- Ongoing internal review of the department's divisions and programs based on areas identified in the report for further study

State Substance Abuse Treatment Efforts

idaho.gov/ope/publications/reports/r0504.htm

This December 2005 report concluded that state efforts to address substance abuse were fragmented in spite of Idaho Code requiring a comprehensive and integrated system. The fragmentation contributed to the absence of statewide information needed to answer basic accountability questions such as:

- What are the statewide needs for services to address substance abuse?

- What is the state's capacity to meet those needs?
- What types of services are provided, to which groups of people, and to how many people?
- Which programs are working and which are not?
- Are state efforts making a difference?

The report's recommendations resulted in the passage of two bills during the 2006 legislative session:

- House Bill 833 established an interagency committee to coordinate and oversee state substance abuse efforts
- House Concurrent Resolution 63 established an interim legislative committee to undertake a study of the current mental health and substance abuse treatment delivery systems

Last July the Governor established the position of drug czar to improve the statewide coordination among substance abuse programs.

Idaho School for the Deaf and the Blind

idaho.gov/ope/publications/reports/r0503.htm

Our October 2005 report concluded that the Idaho School for the Deaf and the Blind (ISDB) was at a turning point for policymakers to determine its future: enrollment was declining, costs per student were rising, campus facilities were used at less than one-half capacity, and school districts were requesting more regional services. The report offered two options for policymakers to consider: (1) continuing with the current service delivery model and incorporating OPE recommendations, or (2) choosing a new approach that addresses the declining need for the school's residential program.

The 2006 Legislature used the report findings to set the ISDB budget for fiscal year 2007 and



introduced two bills based on our recommendations:

- Senate Bill 1427 amended existing law, authorizing ISDB to serve sensory-impaired children from birth to age 21 and provide outreach services throughout Idaho.
- House Bill 821 proposed changing the school's current model for providing education to deaf and blind students. Although the bill was held in the House Education Committee, it served as a catalyst for discussing options for the school. The State Board of Education subsequently established a committee to study the feasibility of various options.

Soon to Be Released

Public Education

Average Daily Attendance

At its August 2006 meeting, JLOC directed us to study the process used by school districts to collect and report average daily attendance (ADA). The evaluation request was made by Senator John Goedde, chair of the Senate Education Committee.

As part of our field work, we visited 11 school districts, 4 charter schools, and 4 virtual schools across the state. We also observed the attendance collection and reporting process at 33 schools and

interviewed more than 50 district and school personnel.

We have developed a simple model that illustrates the impact of ADA errors or changes on districts of different sizes. This model and the report will be released by the end of February. The report will discuss the challenges experienced in collecting attendance information from traditional and virtual schools and explain the complexities of the public education funding formula.

Project lead: AJ Burns

Virtual Charter Schools

JLOC also directed us to conduct a study of virtual charter schools at its August 2006 meeting. Senator John Goedde and Representative Donna Boe submitted evaluation requests for this study.

As part of our evaluation, we met with administrators and visited the homes of families enrolled at each of the four virtual schools in Idaho. We also surveyed all Idaho virtual school teachers and all families who have children enrolled at one of the four virtual schools.

We examined federal and state laws regarding virtual charter schools and looked at how the schools address these requirements. This report is also scheduled for release at the end of February.

Project lead: Amy Lorenzo

Evaluation Topic Selection

OPE receives evaluation assignments from JLOC, an 8-member bipartisan committee, divided equally between the two houses and the two political parties. The committee focuses on evaluations that have statewide impact and address issues currently facing the Legislature.

Lawmakers are invited to help us identify issues and areas of government that may need an in-depth performance review. By addressing relevant and timely topics, we can provide the Legislature with information necessary for making policy and budget decisions, and can help agencies effectively carry out their responsibilities. **Any legislator can request a performance evaluation by writing to either JLOC or OPE.**



Health Care Task Force

During the 2006 legislative session, lawmakers appropriated \$250,000 for a study of health care costs and options to improve insurance coverage and health care services for the uninsured. According to the most recent estimates from the US Census Bureau, 17 percent of Idahoans were uninsured in 2004, the 13th highest percentage of uninsured residents in the nation.

The Office of Performance Evaluations is responsible for overseeing the study. We have worked with members of the Joint Legislative Oversight Committee and the Health Care Task Force to define the scope of the study, which will be completed in two phases. The first phase includes five areas:

1. Cataloging public health care costs in Idaho
2. Estimating private spending for health care in the state
3. Summarizing available information about Idaho's uninsured and those with insurance coverage
4. Compiling information about programs in other states to address the uninsured
5. Analyzing factors that drive health care costs in Idaho

We are reviewing proposals submitted by consultants who are interested in working on the first phase, which is expected to be completed by June with some information likely available during the 2007 legislative session. In phase two, we will investigate specific options for improving coverage and services for Idaho's uninsured.

Project lead: Ned Parrish

Performance Measurement

We concluded in our 2004 report on *Strategic Planning and Performance Measurement* that performance information reported by state agencies was generally not useful to the Legislature and was not meeting the intent of legislation passed in 1993. Based on the premise that easy access to accurate and meaningful performance information is fundamental to improving accountability in government, we recommended revising the existing process of collecting and reporting performance information.

Following the release of the report, the Legislature unanimously passed **House Bill 300, which became law on July 1, 2005**. The legislation strengthened Idaho's performance reporting process by requiring state agencies to do the following:

- Submit an agency profile, which includes an overview, core statutory functions, description of cases managed and/or key services provided, and performance highlights
- Submit accurate and meaningful performance information, which contains key indicators, benchmarks, and explanations
- Present performance information to legislative policy (germane) committees

The revised process provides an ongoing opportunity for policymakers and program officials to engage in a dialogue with each other on clarifying policy intent, program goals, and performance expectations. Through this process, they can reach an agreement on program priorities, goals, and expectations, and regularly monitor program performance. Policymakers can also let program officials know whether the performance information is useful for accountability and policymaking purposes.

Since passage of the legislation, agency officials have worked to improve the collection and reporting of performance information. The Division of Financial Management has compiled this information in the fiscal year 2008 Performance Measurement Report.

Why Do Governments Need Performance Reporting

Summary of a presentation made by Rakesh Mohan at the Association of Government Accountants' Performance Management Conference in Schaumburg, Illinois, October 2006.

Imagine a world without report cards, results, or benchmarks—the Olympics would be boring, we wouldn't know which car has the highest safety rating, nor would we know how our kids were doing in school. Report cards, results, and benchmarks are all part of performance reporting; we need them to make informed choices, prioritize our resources, and excel in our endeavors. Likewise, good government is not possible without an effective accountability system. Citizens need performance reporting to hold their governments accountable.

Lawmakers can use performance information in making policy and budget decisions. Evaluators and auditors can use the information in assessing efficiency and effectiveness, and managers can use the information to monitor the program in a systematic way.

Tips for Effective Performance Measurement

1. Know that performance measurement is inherently a political process
 - Include stakeholders
 - Define what would constitute program success
 - Agree on the cost of measuring success
2. Know that the success of performance measurement rests on the process—simple, understandable, accessible, and affordable
3. Use performance data, along with other information, to make policy, budget, and program decisions
 - Do not use a single number to paint the picture
 - Understand causal relationships
4. Use performance measurement to trigger questions, not to find all of the answers
 - Identify areas for performance auditing
5. Set multi-year performance goals
6. Use targets for providing context
7. Use appropriate measures for internal and external use
8. Use a few select measures that reflect program efforts and accomplishments relating to legislative intent

Training Opportunity for Idaho Legislators

OPE is available to provide training to Idaho lawmakers on how to use performance information—just let us know. We can schedule the training during or after the legislative session. If you have questions about the House Bill 300 or would like to discuss performance measurement, please contact Rakesh Mohan at 208-334-3880 or rmohan@ope.idaho.gov.



9. Review quality of information reported
10. Provide training on reporting and using performance information

Suggested Reading on Performance Measurement

Bernstein, D. "Comments on Perrin's Effective Use and Misuse of Performance Measurement." *American Journal of Evaluation*, 1999, 20(1), 85–93.

Governmental Accounting Standards Board. *Reporting Performance Information: Suggested Criteria for Effective Communication*, 2003.

Mohan, R. "Understanding Performance Measurement." *NLPES News*, no. 83, Fall 2002, <http://www.ncsl.org/programs/nlpes/news/news1002.htm>.

Mohan, R., Tikoo, M., Capela, S., and Bernstein, D. "Increasing Evaluation Use Among Policymakers Through Performance Measurement." In R. Mohan and K. Sullivan (editors), *Promoting the Use of Government Evaluations in Policymaking*, New Directions for Evaluation, vol. 112, 2007 (scheduled to be published in early February).

National Conference of State Legislatures. *Legislating for Results*, 2003.

Perrin B. "Effective Use and Misuse of Performance Measurement." *American Journal of Evaluation*, 1998, 19(3), 367–379.

Perrin, B. "Performance Measurement: Does the Reality Match the Rhetoric? A Rejoinder to Bernstein and Winston." *American Journal of Evaluation*, 1999, 20(1), 101–111.

Winston, W. "Performance Indicators—Promises Unmet: A Response to Perrin." *American Journal of Evaluation*, 1999, 20(1), 95–99.

Wholey, J. and Newcomer, K. "Clarifying Goals, Reporting Results." In K. Newcomer (editor), *Using Performance Measurement to Improve Public and Nonprofit Programs*, New Directions for Evaluation, vol. 75, 1997, 91–98.

New OPE Staff in 2006

A native of Idaho Falls, **Amy Lorenzo** joined OPE after beginning her public service career with the US Department of Homeland Security where Amy served as a program analyst and adjudications officer with US Citizenship and Immigration Services. She has a Master of Public Administration from Louisiana State University and is a graduate of the Presidential Management Fellowship Program.

Brekke Wilkinson came to the office from the Idaho Transportation Department where she was a software trainer. She is the technology resource for the office while also supporting staff with research efforts. A graduate of the University of Idaho, Brekke is currently pursuing a master's degree in Information Systems at Boise State.

Sean Borzea earned a master's of public administration from Arizona State University and is working toward his Ph.D. in public administration from ASU. Previous to arriving in Idaho, he worked as a performance auditor with the Arizona Auditor General's Office.

Carrie Parrish comes to OPE in conjunction with her studies in the Masters of Health Science, Health Policy program at Boise State University. Before pursuing graduate study, she worked with the Oakland-based Public Health Institute on pharmaceutical and health care access issues. A native of Kuna, Carrie received undergraduate degrees in social work and sociology from Augustana College in Sioux Falls, South Dakota.

Staff

- Director
Rakesh Mohan
- Adm. Coordinator
Margaret Campbell
- Research/Tech. Asst.
Brekke Wilkinson
- Principal Evaluators
AJ Burns
Ned Parrish
- Senior Evaluator
Amy Lorenzo
- Evaluator
Sean Borzea
- Intern
Carrie Parrish

Staff Activities

Ned participated in the National Conference of State Legislatures' Legislative Staff Management Institute. The institute provides management and leadership skills development training to senior-level legislative staff from around the country.

Margaret has been certified as a Microsoft professional and is working toward a desktop support technician certification.

Amy gave a presentation on the "Challenges of Going Paperless" at the Fall Conference of the National Legislative Program Evaluation Society in Park City, Utah.

Rakesh gave the following presentations:

- "Can Evaluators Be Peacemakers?" and "Small Is Beautiful: Conducting Limited Focus Evaluations to Address Big Issues" at the annual conference of the American Evaluation Association in Portland, Oregon
- "Why Governments Need Performance Reporting" at the Association of Government Accountants' National Performance Management Conference in Schaumburg, Illinois
- "Peer Review: Going Beyond the Checklist" and "Bridge the Expectations Gap by Redefining Our Role" at the Fall Conference of the National Legislative Program Evaluation Society in Park City, Utah

Rakesh has just finished co-editing a journal volume titled *Promoting the Use of Government Evaluations in Policymaking*. The volume will be published in early February.

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